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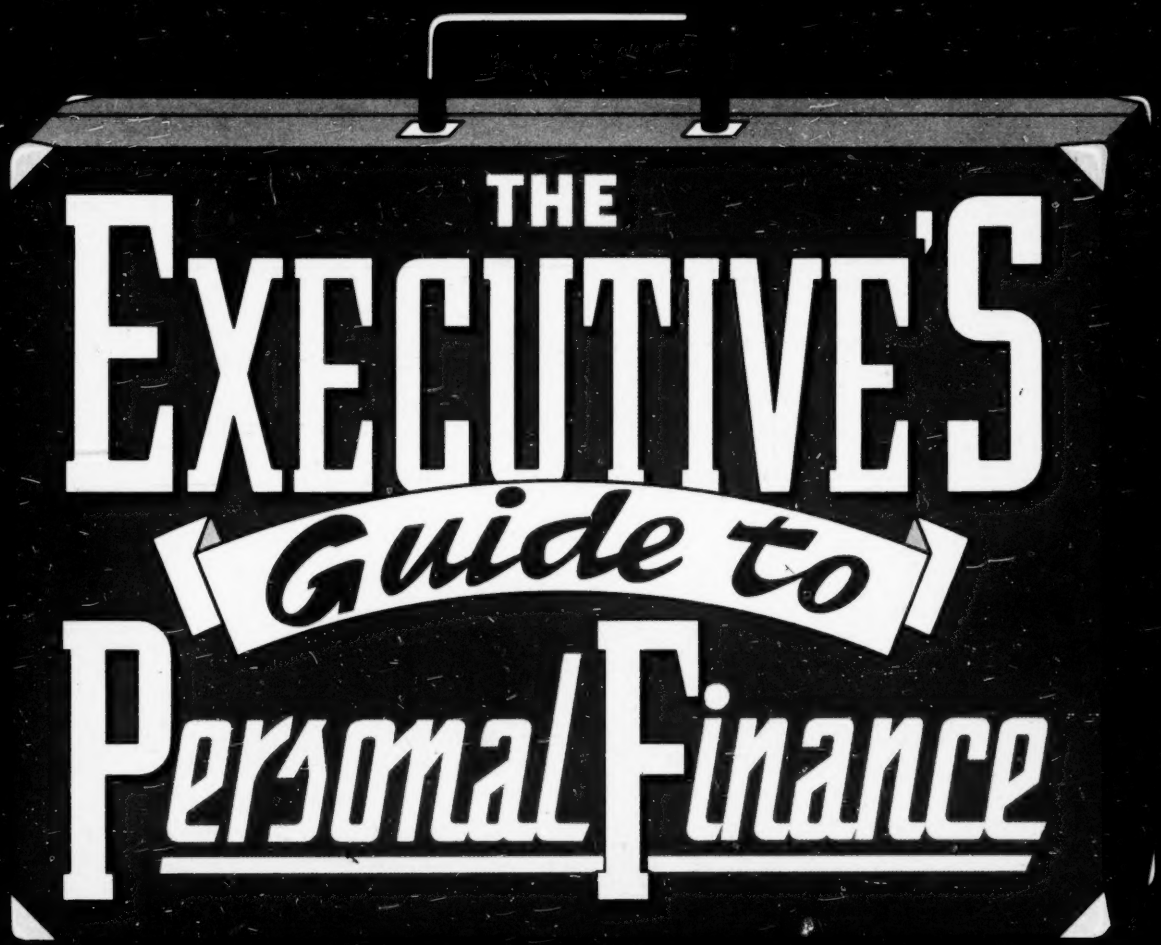
Detroit's New Supply Line



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INVESTMENT UPDATE

Here's the current status of a number of investments, and a look at how they have fared over the past month and the past year.

INVESTMENT	(4/30/86) Recent Price or Yield	Value of $10,000 if Invested: Month Earlier	Year Earlier
Common Stock (Index fund, capital gains and dividends reinvested)	$25.67/share	$ 9,865	$13,565
per cent change		−1.4%	+35.7%
Bonds (30-yr., 11¾% Treasury Bond)			
MARKET VALUE	$137.81	$10,713	$13,674
ACCUMULATED INCOME		$ 70	$ 1,166
TOTAL		$10,783	$14,840
per cent change		+7.8%	+48.4%
Money Market Fund	6.58%	$10,054	$10,737
per cent change		+.6%	+7.4%
Gold (Krugerrands)	$349.20/oz.	$10,184	$11,103
per cent change		+1.8%	+11.0%
HOUSE PRICES	**Recent**	**Month Earlier**	**Year Earlier**
Existing House	$103,100	$105,600	$ 85,200
per cent change		−2.4%	+17.4%
New House	$112,700	$108,200	$101,400
per cent change		+4.0%	+10.0%

Sources: Vanguard Group Inc.; Salomon Brothers; Donoghue's Money Fund Report; Manfra, Tordella & Brookes, Inc.; Federal Home Loan Bank Board.

he thinks FCA could more than triple to 36 in two-to-three years.

Gibraltar Financial Corp. fulfills most of Frank's criteria, with a trading price equivalent to 75% of book value, a P/E of seven, and a sound 15% ROE. What's more, its record 1985 earnings of $2.13 per share are expected to be off only slightly to $2.10 this year and then to climb after that. Over the next three years, Frank anticipates a doubling of the stock price to 27.

A particular favorite of Frank's is Golden West Financial Corp., which he says has a "terrific" 33% ROE and a low 6.5 P/E. Moreover, he says, its earnings will top a record $5.83 per share in 1985 with an estimated $6 this year. The stock is a candidate for a 140% increase in price to 90 in three years or less.

Similarly, Great Western Financial Corp. has a handsome 17% ROE, a P/E of seven and "a terrific earnings growth pattern," according to Frank. This year, its per share profits are expected to jump to $7.50 from 1985's $5.97 and he looks for a better than 100% increase in the stock price to 90 in three years.

Frank also considers Chrysler "an extraordinary bargain" with its minuscule P/E of four and price/cash flow multiple of three. And its "remarkable" 39% ROE and steady earnings pattern led him to believe its stock price will more than double to 96 in three years.

General Development Corp., a Florida real-estate development firm, also attracts Frank. With a 21% ROE, a P/E of 7.5, healthy profit margins and steady earnings growth, he expects earnings this year will ascend to $3.25 a share from last year's $3.20 and the stock to double to 49 in three years.

Among the "unglamorous" stocks Frank currently favors is Johnson Industries Inc., a producer of mobile-home carpets. Its P/E of seven, 20% ROE and strong profit trend form the kind of growth pattern he likes. Earnings in 1986 should climb to $1.95 per share from last year's $1.65, according to Frank, and the stock to double to 29 by 1989. —THOMAS J. MURRAY